## AMENDED IN ASSEMBLY MARCH 15, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## ASSEMBLY BILL

No. 2170

## **Introduced by Assembly Member Frazier**

(Coauthor: Senator Hueso)

February 18, 2016

An act to amend-Section Sections 2192 and 2192.2 of the Streets and Highways Code, relating to transportation.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2170, as amended, Frazier. Trade Corridors Improvement Fund: federal funds.

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B) created the Trade Corridors Improvement Fund and provided for allocation by the California Transportation Commission of \$2 billion in bond funds for infrastructure improvements on highway and rail corridors that have a high volume of freight movement, and specified categories of projects eligible to receive these funds. Existing law continues the Trade Corridors Improvement Fund in existence in order to receive revenues from sources other than the bond act for these purposes.

This bill would require revenues apportioned to the state from the National Highway Freight Program established by the federal Fixing America's Surface Transportation Act to be deposited in the Trade Corridors Improvement Fund. allocated for trade corridor improvement projects approved pursuant to these provisions.

Existing law requires the commission, in determining projects eligible for funding, to consult various state freight and regional infrastructure and goods movement plans and the statewide port master plan.

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This bill would delete consideration of the State Air Resources Board's Sustainable Freight Strategy and the statewide port master plan and would instead include consideration of the applicable port master plan when determining eligible projects for funding. The bill would also expand eligible projects to include rail landside access improvements, landside freight access improvements to airports, and certain capital and operational improvements.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 2192 of the Streets and Highways Code is amended to read:

2192. (a) (1) The Trade Corridors Improvement Fund, created pursuant to subdivision (c) of Section 8879.23 of the Government Code, is hereby continued in existence to receive revenues from state sources other than the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, including revenues 2006.

- 9 (2) Revenues apportioned to the state under Section 167 of the
  10 Title 23 of the United States Code from the National Highway
  11 Freight Program, pursuant to the federal Fixing America's Surface
  12 Transportation Act ("FAST Act"; Public Law—114-94). This
  13 114-94) shall be allocated for projects approved pursuant to this
  14 chapter.
  - ( $\hat{b}$ ) This chapter shall govern expenditure of those other state and federal described in subdivision (a) revenues.

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18 (c) The moneys in the fund from those other sources funding 19 described in subdivision (a) shall be available upon appropriation 20 for allocation by the California Transportation Commission for 21 infrastructure improvements in this state on federally designated 22 Trade Corridors of National and Regional Significance, on the 23 Primary Freight Network, and along other corridors that have a high volume of freight movement, as determined by the 24 25 commission. In determining the projects eligible for funding, the commission shall consult the Transportation Agency's state freight 26 27 plan as described in Section 13978.8 of the Government Code, the 28 State Air Resources Board's Sustainable Freight Strategy adopted -3 — AB 2170

by Resolution 14-2, and the trade infrastructure and goods movement plan submitted to the commission by the Secretary of Transportation and the Secretary for Environmental Protection. The commission shall also consult trade infrastructure and goods movement plans adopted by regional transportation planning agencies, adopted regional transportation plans required by state and federal law, and the statewide applicable port master plan prepared by the California Marine and Intermodal Transportation System Advisory Council (Cal-MITSAC) pursuant to Section 1730 of the Harbors and Navigation Code, when determining eligible projects for funding. Eligible projects for these funds include, but are not limited to, all of the following:

- (1) Highway capacity-improvements improvements, rail landside access improvements, landside freight access improvements to airports, and operational improvements to more efficiently accommodate the movement of freight, particularly for ingress and egress to and from the state's land ports of entry, rail terminals, and seaports, including navigable inland waterways used to transport freight between seaports, land ports of entry, and airports, and to relieve traffic congestion along major trade or goods movement corridors.
- (2) Freight rail system improvements to enhance the ability to move goods from seaports, land ports of entry, and airports to warehousing and distribution centers throughout California, including projects that separate rail lines from highway or local road traffic, improve freight rail mobility through mountainous regions, relocate rail switching yards, and other projects that improve the efficiency and capacity of the rail freight system.
  - (3) Projects to enhance the capacity and efficiency of ports.
- (4) Truck corridor *and capital and operational* improvements, including dedicated truck facilities or truck toll facilities.
- (5) Border-access capital and operational improvements that enhance goods movement between California and Mexico and that maximize the state's ability to access—coordinated border infrastructure funds made available to the state by federal law.
- (6) Surface transportation and connector road improvements to effectively facilitate the movement of goods, particularly for ingress and egress to and from the state's land ports of entry, airports, and seaports, to relieve traffic congestion along major trade or goods movement corridors.

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(d) (1) The commission shall allocate—funds the funding described in subdivision (a) for trade infrastructure improvements from the fund consistent with Section 8879.52 of the Government Code and the Trade Corridors Improvement Fund (TCIF) Guidelines adopted by the commission on November 27, 2007, or as amended by the commission, and in a manner that (A) addresses the state's most urgent needs, (B) balances the demands of various land ports of entry, seaports, and airports, (C) provides reasonable geographic balance between the state's regions,-and (D) places emphasis on projects that improve trade corridor mobility and safety while reducing emissions of diesel particulate and other pollutant emissions, and reducing other negative community impacts, and (E) makes a significant contribution to the state's economy.

- (2) In addition, the commission shall also consider the following factors when allocating these funds:
- (A) "Velocity," which means the speed by which large cargo would travel from the land port of entry or seaport through the distribution system.
- (B) "Throughput," which means the volume of cargo that would move from the land port of entry or seaport through the distribution system.
- (C) "Reliability," which means a reasonably consistent and predictable amount of time for cargo to travel from one point to another on any given day or at any given time in California.
- (D) "Congestion reduction," which means the reduction in recurrent daily hours of delay to be achieved.
- SEC. 2. Section 2192.2 of the Streets and Highways Code is amended to read:
- 2192.2. The commission shall allocate funds made available by this chapter to projects that have identified and committed supplemental funding from appropriate local, federal, or private sources. The commission shall determine the appropriate amount of supplemental funding each project should have to be eligible for moneys—from the fund based on a project-by-project review and an assessment of the project's benefit to the state and the program. Except for border—access capital and operational improvements described in paragraph (5) of subdivision—(b) (c) of Section 2192, improvements funded—with moneys from the fund

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- shall have supplemental funding that is at least equal to the amount
- of the contribution from the fund. under this chapter. The
- commission may give priority for funding to projects with higher levels of committed supplemental funding.